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Oilseeds and Products

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Report Highlights:

Russian 2006 oilseed production is estimated at 8 million metric tons (MMT). Sunflower seed production reached nearly 6.7 MMT, up 4 percent from the previous record year. Official data on other oilseeds is not available, but based on sown area and average yields, rapeseed and soybean production are estimated at 516,000 metric tons and 730,000 metric tons, respectively. Domestic oilseed crush will exceed 6.95 MMT, a 7-percent increase from last year. Russia's sunflower seed exports may reach 250,000 metric tons. Rapeseed exports are estimated at 140,000 metric tons.

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Table of Contents

Executive Summary	3
Production	3
Consumption.....	3
Trade.....	4
Sunflower seeds.....	5
Table 1. PSD, Sunflower seeds, 1,000 Metric Tons, 1,000 Hectares.....	5
Soybeans	6
Table 2. PSD, Soybeans, 1,000 Metric Tons, 1,000 Hectares.....	6

Executive Summary

Russian 2006 oilseed production is estimated at 8 million metric tons (MMT). Sunflower seed production reached almost 6.7 MMT, up 4 percent from the previous record year. Official data on other oilseeds is not available, but based on sown area and average yield, production of rapeseeds is estimated at 516,000 metric tons and production of soybeans at 730,000 metric tons. In MY 2006¹ domestic oilseed crush will exceed 6.95 MMT, a 7-percent increase from last year. Despite export duties of 20 percent, but not less than 35 Euros per metric ton, Russia's sunflower seed exports have the potential to reach 250,000 metric tons in MY 2006. Rapeseed exports are estimated at 140,000 metric tons, 2.3 times more than in MY 2005.

Production

Total 2006 oilseed production is estimated at 8.0 MMT. As of March 2007, official production data is only available for sunflower seeds. The Russian Statistical Committee (Rosstat) reported that production of sunflower seeds reached nearly 6.7 MMT, a 4-percent increase over the previous year's record high. Official data on the production of other oilseeds is not available.

Area sown for all oilseeds in 2006 was 7.6 million hectares, and represents a 16-percent increase over 2005. Sunflower seed area was 6.1 million hectares (an 11-percent increase). The total area sown to soybeans increased 17 percent to 840,000 hectares². Winter rapeseed suffered from severe frost, and the rapeseed that survived through the winter covered only 80,100 hectares, a 3-percent decrease from 2005. However, the area sown to spring rapeseed more than compensated for this decrease, and reached 457,600 hectares. This represents nearly a three-fold increase from 166,300 hectares in 2005. Area sown to mustard decreased from 108,000 hectares in 2005 to 90,500 hectares in 2006. Acreage for other oilseeds was minimal.

Soybean production estimates are based on area sown, the 5-year average yield (0.87 metric tons per hectare) and adjusted downwards slightly due to the reported 0.81 metric ton yield in Amur oblast that accounts for more than 36 percent of Russia's total soybean sown area. Soybean production estimates for 2006 are 730,000 metric tons, a 6-percent increase from MY 2005/2006.

Estimates of rapeseed production are calculated based on the 5-year average yield of winter rapeseeds (1.6 metric tons per hectare) and spring rapeseed (0.85 metric tons per hectare) and actual area sown to winter and spring rapeseeds in 2006. Rapeseed production estimates for 2006 are 516,000 metric tons.

Production of other oilseeds is estimated at 60,000 metric tons, including 50,000 metric tons of mustard.

Consumption

Domestic crush of the three main oilseeds is estimated at 6.95 MMT in MY 2006, up 7 percent from MY 2005. Production of meals is estimated at 2.95 MMT, including 2.19 MMT of

¹ To be consistent with marketing years in the PSD tables, trade data and other statistical data (i.e. production of vegetable oil) are calculated for the period September through August.

² Data on sown area are from the All-Russia Agricultural Census 2006, publication #1, Moscow 2006.

sunflower seed meal, 560,000 metric tons of soybean meal, and 200,000 metric tons of rapeseed meal. Production of vegetable oils is estimated at 2.7 MMT in MY 2006, including 2.4 MMT of sunflower seed oil. According to official statistical data, Russia produced 2.55 MMT of vegetable oil in MY 2005. In September through December 2006, vegetable oil production reached 932,000 metric tons, 10,000 metric tons more than the same period in 2005.

Trade

MY 2006 exports of sunflower seeds are expected to be 250,000 metric tons, compared with the 375,000 metric tons exported in MY 2005. Despite higher production, exports of sunflower seeds will decrease due to further improvement and innovation in the domestic crushing industry, high domestic demand for meals and vegetable oil, and high export tariffs. Exports of sunflower seeds from September through December 2006 were 78,930 metric tons, compared with 241,045 metric tons for the same period in 2005. Total MY exports will hardly compensate for this decrease. Imports of sunflower seeds will not be significant.

Trade in soybeans is small. Russia has practically discontinued imports of soybeans because of GMO issues, and officially reported exports are low. Actual exports of soybeans from the Russian Far East to China, however, may exceed 20,000 metric tons.

In MY 2006 Russia is expected to significantly increase rapeseed exports to European countries from 60,000 metric tons in MY 2005 to 140,000 metric tons. From September through December 2006 Russia exported 50,630 metric tons of rapeseed, 40 percent more than the amount in 2005. Strong European demand for rapeseed for bio-fuel and increased domestic production are the main stimuli for exports. The slight decrease in export tariffs on rapeseed (from 20 percent but not less than 35 Euros per metric ton, to 15 percent but not less than 30 Euros per metric ton³) is not a major factor in export volume.

³ GAIN Report RS7017 *Russia Lowers Export Duty on Rapeseeds*

Sunflower seeds

Table 1. PSD, Sunflower seeds, 1,000 Metric Tons, 1,000 Hectares

Country	Russian Federation									
Commodity	Oilseed, Sunflower seed						(1000 HA)	(1000 MT)		
	2004	Revised		2005	Estimate		2006	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		09/2004	09/2004		09/2005	09/2005		09/2006	09/2006	MM/YYYY
Area Planted	4800	4858	4800	5400	4860	5505	5800	0	6100	(1000 HA)
Area Harvested	4650	4707	4650	5400	4710	5410	5800	0	5920	(1000 HA)
Beginning Stocks	273	70	273	194	60	194	246	20	246	(1000 MT)
Production	4800	4800	4800	6450	4750	6440	6700	0	6690	(1000 MT)
MY Imports	10	10	10	12	10	11	10	0	10	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	5083	4880	5083	6656	4820	6645	6956	20	6946	(1000 MT)
MY Exports	61	40	61	400	30	396	375	0	250	(1000 MT)
MY Exp. to EU	100	10	100	200	10	200	200	0	150	(1000 MT)
Crush	4389	4450	4389	5610	4450	5610	5780	0	5895	(1000 MT)
Food Use Dom. Cons.	200	200	200	200	200	193	200	0	200	(1000 MT)
Feed Waste Dom. Cons.	239	130	239	200	120	200	351	0	351	(1000 MT)
Total Dom. Cons.	4828	4780	4828	6010	4770	6003	6331	0	6446	(1000 MT)
Ending Stocks	194	60	194	246	20	246	250	0	250	(1000 MT)
Total Distribution	5083	4880	5083	6656	4820	6645	6956	0	6946	(1000 MT)
CY Imports	10	0	10	12	0	12	10	0	10	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
CY Exports	285	0	285	400	0	400	375	0	375	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)

Soybeans

Table 2. PSD, Soybeans, 1,000 Metric Tons, 1,000 Hectares

Country	Russian Federation									
Commodity	Oilseed, Soybean						(1000 HA)(1000 MT)			
	2004	Revised		2005	Estimate		2006	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		09/2004	09/2004		09/2005	09/2005		09/2006	09/2006	MM/YYYY
Area Planted	580	570	580	680	580	715	725	0	840	(1000 HA)
Area Harvested	555	555	555	656	530	656	850	0	800	(1000 HA)
Beginning Stocks	4	5	4	29	30	29	34	15	30	(1000 MT)
Production	555	555	555	689	520	689	900	0	730	(1000 MT)
MY Imports	40	20	40	21	20	2	15	0	15	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Total Supply	599	580	599	739	570	720	949	15	775	(1000 MT)
MY Exports	6	25	6	10	35	3	12	0	20	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	0	0	0	(1000 MT)
Crush	546	510	546	675	505	667	880	0	707	(1000 MT)
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	18	15	18	20	15	20	22	0	20	(1000 MT)
Total Dom. Cons.	564	525	564	695	520	687	902	0	727	(1000 MT)
Ending Stocks	29	30	29	34	15	30	35	0	32	(1000 MT)
Total Distribution	599	580	599	739	570	720	949	0	779	(1000 MT)